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ARIZONA CORPORATION COMMISSION

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Chairman Hatch-Miller
Commissioner Spitzer
Commissioner Gleason
Commissioner Mayes

Re: APS Application for authorization to Acquire Out-of-State Renewable Resources;
Docket No. E-01345A-05-0675

Dear Colleagues:

While I am encouraged that APS is seeking to acquire 144 MW of renewable energy when the terms the Settlement Agreement as approved by this Commission mandated that the Company issue an RFP for 100 MW, I do share my fellow Commissioners' concern that only a small portion of this renewable generation will be sited in Arizona.

I agree that an analysis by Staff of the rejected bids would be beneficial to this Commission in evaluating APS' application. I also believe that a procedural conference would be appropriate to discuss the best means to maintain the confidentiality of the bids while allowing for meaningful discussions among Commissioners.

Thank you for your consideration of this matter.

Sincerely,


William A. Mundell, Commissioner

cc: Parties of Record
Brian McNeil
Ernest Johnson
Lyn Farmer
Chris Kempley
Stephen Ahearn